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EXAMINER

SAINDON, WILLIAM V

ART UNIT

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PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No. 10/670,989	Applicant(s) WISNIEWSKI ET AL.	
	Examiner William V. Saindon	Art Unit 3623	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 23 April 2008.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-9, 11-20, 22-26 and 28-33 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-9, 11-20, 22-26 and 28-33 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

1. The following NON FINAL Office Action is in response to Applicant's submission received April 23, 2008. Claims 1, 8, 12, 19, 23, 26, 28, and 31-33 are amended. Claims 10, 21, and 27 have been canceled. No claims have been added. Therefore, claims 1-9, 11-20, 22-26, and 28-33 are pending.

Response to Amendment

2. The 35 USC § **101 rejection of claims 1-9, 11-20, 22-26, and 28-33** is **not withdrawn** in light of Applicant's amendments. Please refer to the § 101 rejection below.

3. The 35 USC § **101 rejection of claims 12-20, 22, and 28-32** is **withdrawn in part** in light of Applicant's amendments. Applicant added that the machine readable media "caus[es] the machine" to perform the claimed steps. Therefore, it is clear that the system now contains the physical machine used to execute the steps contained the medium. This amendment, however, does not overcome the § 101 rejection relating to the requirement that the claims are useful, concrete, and tangible.

4. The 35 USC § **112 ¶ 2 rejection of claims 8, 19, 26, 31, and 32** is **withdrawn** in light of Applicant's amendments. The correction of the antecedent basis issues has clarified the scope of the claims.

5. The 35 USC § **102(a & e) rejection** of claims 1-9, 11-20, 22-26, and 28-33 as anticipated by Santos et al. (US 2002/0169654) is **not withdrawn** in light of Applicant's

amendment. The additional limitations are already found in Santos et al. Please refer to the updated § 102 rejection below.

6. The 35 USC § **103 rejection** of claims 1-9, 11-20, 22-26, and 28-33 as unpatentable over admitted prior art is **not withdrawn** in light of Applicant's amendment. Please refer to the updated § 103 rejection below.

7. Applicant's response to the Request for Information under 37 CFR 1.105 is acknowledged.

Response to Arguments

8. The 35 USC § **112 ¶ 1 rejection** of claims 1-9, 11-20, 22-26, and 28-33 is **withdrawn** in light of Applicant's argument. Applicant argues that the allegedly non-enabled elements are enabled because it is old and well known how to perform segmentation, how to select a marketing plan, how to revise expected outcomes of the plan, and how to revise the marketing plan. The Examiner agrees that such elements are old and well known, and therefore withdraws the rejection.

9. The 35 USC § **112 ¶ 2 rejection to claims 9 and 20** is **withdrawn** in light of Applicant's arguments. Applicant argues that once formulated, a forecast can be updated. The Examiner agrees. Therefore, the rejection is withdrawn.

10. The 35 USC § **102(a & e) rejection** of claims 1-9, 11-20, 22-26, and 28-33 as anticipated by Santos et al. (US 2002/0169654) is **not withdrawn** in light of Applicant's argument. Applicant argues that, for example, claim 1 is distinguished from Santos because Santos does not disclose the newly added limitation: "wherein the algorithm is

based at least in part on a response distribution." Applicant takes the position that the "average" calculated by Santos is not a "response distribution." Arguments at 9, third paragraph. The Examiner respectfully disagrees with Applicant's position.

The average calculated by Santos is calculated by an algorithm based at least in part on a response distribution. An average is a well-known method for summarizing a distribution of responses by giving an indication of a "typical" response. Therefore, Santos discloses this newly claimed element.

Claim Rejections - 35 USC § 101

11. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

12. Claims 1-9, 11-20, 22-26, and 28-33 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. The invention as claimed is directed towards the statutory category of a process. However, the invention contains the abstract idea of algorithm manipulation and therefore falls under a 35 U.S.C. 101 judicial exception. A practical application of a judicial exception may render the invention statutory. A claimed invention is directed to a practical application of a 35 U.S.C. 101 judicial exception when it either transforms an article or physical object to a different state or thing, or otherwise produces a useful, concrete and tangible result. See MPEP § 2106.

The present invention does not transform an article or physical object because it is merely a method to manipulate an algorithm.

The present invention does not produce a tangible result because the end result of the process is an algorithm, which is an idea, not a 'real-world result.'

The steps of matching, selecting, and updating do not produce a real world result. Only data and other abstract ideas are manipulated. Because the invention never produces a result that is seen in the real, tangible world, it is not a practical application of a judicial exception.

Claim Rejections - 35 USC § 112

13. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

14. Claims 11 and 22 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Specifically, the claims depend from a canceled claim. For purposes of examination, the Examiner will construe the claims to depend from their corresponding independent claim.

Claim Rejections - 35 USC § 102

15. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(a) the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for a patent.

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent

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granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

16. Claims 1-9, 11-20, 22-26, and 28-33 are rejected under 35 U.S.C. 102(a & e) as being anticipated by Santos et al. (US 2002/0169654) (hereinafter Santos).

As to claim 1, Santos discloses:

matching a customer to a profile (see ¶ 9, noting customer segmentation is used);

selecting an action from a set of actions associated with the profile using a first algorithm (see ¶ 10, noting that a marketing action set is considered and is applied to a customer); and

updating the first algorithm based on a response forecast (see ¶ 16, noting the probability that a customer will buy is forecast and used as a basis for selecting an action).

As to claim 2, Santos discloses collecting information on the customer (see ¶ 9, noting that registration sequences of customers are tracked).

As to claim 3, Santos discloses augmenting the information with external sources (see id., noting that transactional data comes from an external source such as a POS terminal or other report).

As to claim 4, Santos discloses defining a customer need (see id., noting that a purchase of a good indicates a customer need for that good).

As to claim 5, Santos discloses matching a customer to a profile is done using a second algorithm (see id., noting that customer segmentation is a series of steps [algorithm] used to segment customers).

As to claim 6, Santos discloses the set of actions is specific to the profile (see id., noting the registration sequence used to segment the customer is specific to the segment or it would not have been segmented there).

As to claim 7, Santos discloses the first algorithm uses a history of responses for the profile in selecting the action (see Fig. 1, noting that the observation log is used for setting up the segments that the selected action is based on; ¶ 29, noting the transaction histories are used to help define promotions).

As to claim 8, Santos discloses formulating a response forecast using at least one customer's response (see ¶ 32, noting customer interactions are fed back into the system).

As to claim 9, Santos discloses updating the response forecast based on the at least one customer's response (see id., noting that when the system receives the feedback, it updates the plan based upon the new forecasted response).

As to claim 11, Santos discloses presenting the action to the customer (see Fig. 2, noting the campaign is executed, meaning a customer is presented with the action).

Claims 12-20, and 22 are rejected for similar reasons as claims 1-9, and 11.

As to claim 23, Santos discloses:

identifying a set of actions (see ¶10, noting the various marketing actions possible);

selecting an action from the set of actions using an algorithm (see id., noting a marketing action is presented to a customer, thus selected);

updating a response forecast based on a customer's response (see Fig. 2, noting that responses from customers are fed back into the system); and

updating the algorithm based on the response forecast (see id., noting that the system incorporates the customer expectation feedback).

Claims 24-22 are rejected for similar reasons as claims 6-8, respectively.

Claims 28-32 are rejected for similar reasons as claims 23-27, respectively.

Claim 33 is rejected for similar reasons as claims 1 and 23.

Claim Rejections - 35 USC § 103

17. The text of those sections of Title 35, U.S. Code not included in this action can be found in a prior Office action.

18. Claims 1, 12, 23, 28, and 33 rejected under 35 U.S.C. 103(a) as being unpatentable over Applicant's admitted prior art.

Applicant admits the following:

"It will be obvious to those of ordinary skill in the art how such estimates, distributions, and forecasts are to be calculated." (¶ 46)

"The formulation of such selection algorithms will be obvious to those of ordinary skill in the art." (¶ 38)

Analysis will be directed to claim 33 as it is the most comprehensive of the independent claims and the other independent claims are not separately patentable.

As to claim 33, Applicant claims only known elements being used in their known context for their known purpose:

matching a customer to a profile [customer segmentation];

selecting an action from a set of actions associated with the profile based on an algorithm wherein the algorithm is based at least in part on a response distribution [creating a marketing plan, admitted prior art at ¶ 38] [note that the fact the plan is based on a response distribution is known from the fact that the plan is based on customer segmentation, which in turn is based on received responses];

presenting the action to the customer [execution of plan];

receiving a customer's response to the action [monitoring result of plan];

updating a response forecast based on the customer's response [updating an expectation, admitted prior art at ¶ 46];

updating the algorithm based on the response forecast [creating marketing plan using best known data, admitted prior art at ¶ 38]; and

selecting another action from the set of actions using the updated first algorithm [repeating the above].

Each of the above elements is old and well known in the art by common knowledge or admission.

Each of the above elements is being used in its regular and usual manner. That is, customer segmentation is used to match customers to a profile for the purpose of creating a marketing plan targeted at that segment. The plan is executed and feedback

is received. The plan is then updated for the purposes of incorporating feedback to make the plan better.

Each of the above elements is used for its known purpose. That is, the results of the use of each element are predictable. Customer segmentation is known to divide customers into identifiable segments for the purpose of targeting them with specific marketing plans. The selection of an appropriate marketing plan is known to provide the best chances at meeting the objective of the marketing plan. The presentation of the plan and receipt of results is known to execute the plan and provide information to be used for feedback. The updating of a response forecast based upon customer response is known to update the models used to model customer behavior based upon actual data. The updating of the marketing plan selection method based upon the actual, observed behavior of customers is known to allow for more accurate prediction in the future as models become closer to reality based upon trial and error.

Each of the above elements is combined according to known methods. In marketing, customer segmentation first used to identify a customer segment to target in a marketing plan. Then, a marketing plan is created to derive some benefit from the identified customer segment. Next, the marketing plan is executed and results tallied to measure the effectiveness of the plan on that customer segment. Then, the methodologies used to determine what the appropriate plan is to derive benefit from the identified customer segment are updated using the newfound knowledge.

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Therefore, the claim combines prior art elements according to known methods to yield predictable results, and it would have been obvious to a person having ordinary skill in the art at the time of invention to combine and use these known elements.

Conclusion

19. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within **TWO MONTHS** of the mailing date of this final action and the advisory action is not mailed until after the end of the **THREE-MONTH** shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than **SIX MONTHS** from the date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to William V. Saindon whose telephone number is (571)270-3026. The examiner can normally be reached on M-F 7:30-5; alt. Fridays off.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Beth Boswell can be reached on (571) 272-6737. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/wvs/

/Beth V. Boswell/
Supervisory Patent Examiner, Art Unit 3623